

Maryland E-Nnovation Initiative Fund Authority
Meeting – Round 1 Application
August 26, 2020
9:00 a.m. – 12:00 p.m.

Call In Number

(US) +1 224-804-0345 PIN: 774 870 487#

The Maryland E-Nnovation Initiative Fund Authority (“MEIFA” or the “Authority”) convened a meeting via conference call at 9:00 a.m. on August 26, 2020. A quorum was present.

Members:

Robert Hallenbeck, Chairman
Stephen Auvil, Executive Vice President, Operations & Programs, TEDCO
Frank Glover, Lead Director, Seed Investment Fund Director, Maryland Venture Fund, TEDCO
Sarah Sheppard, Designee of the Secretary of the Maryland Department of Commerce
Renee Winsky, President & CEO Leadership Maryland, President & Founder, Bay One Group, LLC
Jay Perman, Chancellor, University System of Maryland

Staff, Guests, and Representatives:

Barbara Kountz, Deputy Counsel to Maryland Department of Commerce,
Assistant Attorney General
Connie Page, Administrative Associate, Office of Strategic Industries & Entrepreneurship,
Maryland Department of Commerce
Tom Sadowski, Vice Chancellor for Economic Development, University System of Maryland
Megan Carnell, Assistant Dean for Development, CMNS, University of Maryland, College Park
Amitabh Varshnery, Dean, CMNS, University of Maryland
Terry Rou, Vice President, TEDCO
Stacey Sickels Locke, Associate Vice President, UMBC
Mary Ann Rankin, Senior Vice President and Provost of the University of Maryland, College Park
David Balcom, Vice President for Advancement, University of Maryland, Eastern Shore
Andrea Marsh, Director of Faculty Grants and Sponsored Research, Goucher College

Call Meeting to Order:

Chairman Robert Hallenbeck called the meeting to order at 9:07 a.m.

Roll Call: Introduction of Authority Members and Others in Attendance:

Chairman initiated roll call for Members, staff and guests in attendance. Those in attendance: Chairman Hallenbeck, Ms. Winsky, Ms. Sheppard, Mr. Auvil, Mr. Glover, Mr. Perman, Ms.

Kountz, Ms. Page, Mr. Sadowski, Mr. Balcom, Ms. Marsh, Ms. Rankin, Ms. Carnell, Mr. Varshnery, Mr. Rou, and Ms. Sickels.

Chairman's Updates:

Chairman Hallenbeck informed the group that the program is set to sunset at the end of this fiscal year end. However, the Colleges and Universities are still required to file their annual reports. The Authority will still need to meet in the future when the annual reports come in. The Chairman hopes that the program will eventually be reinstated. We have the full allotment of money for this current fiscal year. The applications we have received does not exceed that amount.

Review and Approval of Previous Meeting Minutes

After motion duly made and seconded, the Authority members unanimously approved the minutes for the meeting held on July 17, 2020.

Program Manager's Report

FY 2021 Budget Update

Ms. Sheppard explained the FY 2021 budget. As of August 26, 2020, \$42,838,250 is appropriated to the fund. The 25% cap amount is \$12,834,563. For each University - This is the sixth year of the program and Commerce is considering application for 2021 funds.

The Authority members briefly discussed the existing regulatory cap for awarding funds to institutions: College of Southern Maryland is \$12,000,000 under the cap; Hood College is \$11,000,000 under the cap; Johns Hopkins University is \$4,000,000 under the cap; Morgan State University is \$12,000,000 under the cap; Loyola University Maryland is \$12,000,000 under the cap; Mount St. Mary's University is \$12,000,000 under the cap; Maryland Institute College of Art is \$12,000,000 under the cap; Stevenson University is \$12,000,000 under the cap; Towson University is \$12,000,000 under the cap; University of Maryland Baltimore is \$3,234,813 over the cap; University of Maryland College Park is \$1,145,000 over the cap; University of Maryland Eastern Shore is \$11,000,000 under the cap; and Washington College is \$9,000,000 under the cap.

Ms. Sheppard updated the Authority that there is approximately \$3,000,000 extra in the pot. If there is a high demand this year, the MEIFA can possibly have a 3rd round.

Discussion on Request to Modify Research Endowment Plan - University of Maryland College Park - Elizabeth Iribe Chair for Innovation in the Department of Computer Science

The University of Maryland, College Park requests that the MEIFA allow the University to establish the Maryland Innovation Chair using the \$1,112,500 in matching funds awarded in FY17 for the Elizabeth Iribe Chair for Innovation in the Department of Computer Science. Sarah opened the floor to the University of Maryland staff to explain their request. The Iribe Chair gift agreement specifies that the position be held by the chair of the University's Department of Computer Science. However, an internal evaluation revealed extreme challenges with the department chair

simultaneously being able to meet the requirements of this administrative role and those of the state match (working at least one day each week in support of a federal laboratory or associated research organization; holding a joint appointment or secondary position at another nonprofit institution of higher education in the state; or working in support of entrepreneurial activities with a company engaged in one or more of the research areas identified by the authority). Computer science is the largest undergraduate major on campus and the University boasts the largest computer science program in the country— teaching more than 3,700 students and 30,000 credit hours per year. The University’s academic leaders determined that it is an unreasonable expectation for the department chair to fulfill these rigorous leadership and administrative responsibilities while also meeting the requirements of the state match. In addition, there is concern that the requirements of the state match can create the appearance, and possibly the reality, of a conflict of interest for the chair of a department. The proposed Maryland Innovation Chair, created with the \$1.1 million in matching funds (and related interest) awarded to the University in FY17 for the Iribe Chair, would be held by a faculty member in the University’s Department of Computer Science who is not the department chair. Without the added administrative responsibilities, the Maryland Innovation Chair will be able to concentrate on growing his or her research program and being a strong engine for the state’s economy. The Maryland Innovation Chair will elevate the entire department’s research, education and entrepreneurship activities; and allow the state to bring talented computer science undergraduate and graduate students to the university who will impact the state economy upon graduation. The University proposes that the inaugural holder of the Maryland Innovation Chair be Dr. Ming Lin. Dr. Lin is the current Iribe Chair holder and stepped down from her role as department chair on July 13. Dr. Lin will return to her world-renowned research program in virtual reality, computer graphics and robotics as well as her entrepreneurial and start-up activities.

After discussion, The Chairman stated if the University of Maryland wants to keep the funds, they would have to amend their research plan to do what is in the regulations by September 30, 2020. The Authority will then review the plan and vote on whether to approve or reject the plan in October. When a research plan is submitted, the statute specifically states that it is to a specific position and that the donation and the E-Innovation funds are supposed to be together and be a match for each other for that position. It is problematic if the qualifying donation does not allow funds to be used for the specific purpose they are supposed to be matching.

University of Maryland Eastern Shore (UMES) – Roger R. Blunt and Vivian Bowers Blunt Chair in Construction and Technology Innovation - Discussion

David Balcom updated the Authority. Mr. and Mrs. Roger Blunt, who have pledged a gift of \$2.5 million in support of an endowed Chair in Construction Management and Technology Innovation, have run into some impediments related to COVID 19. Their gift is being fulfilled by Mrs. Blunt’s company the Bluestone Group. They do most of their business consulting work overseas and they are waiting for several transactions to settle before they will be able to release a portion, or ideally, all the funds to fulfill their pledge. In addition, there is a legal matter related to Mr. Blunt’s former business that is tied up in court, the resolution of which has also been slowed because of the

pandemic. UMES has been in regular communication with the Blunts' attorney and is confident these issues will be resolved very soon.

As a contingency, UMES is exploring three other possible funding sources in the unlikely event the Blunt's gift falls through. UMES will be sure to inform you as soon as possible if they feel that they need to bundle these other gifts to satisfy the matching grant. UMES has drafted the position description for the Endowed Chair in Construction. They are also in contact with another foundation in Annapolis about supporting the program side of this effort.

After discussion, the Authority will give a little more time for this to come to fruition and will meet in October. Hopefully, funds will come in by then. If not, the Authority will revisit it then. UMES will provide an update at the end of September.

Approval of Closed Session

At 10:15 a.m., Chairman Hallenbeck recommended that the meeting be closed to discuss applications. At Chairman Hallenbeck's request, Ms. Kountz stated, the statutory reasons for closing the meeting were §3-305(b)(13) and (b)(7) of the Open Meetings Act, (a) to comply with a specific statutory requirement that prevents public disclosure about a particular proceeding or matter, and (b) to consult with legal counsel with respect to legal matters with respect to such applications and an amendment request. It was noted that the applications include financial information of private individuals (donors), which is information protected from disclosure under §4-336 of the Maryland Public Information Act. It was further noted that Chairman Hallenbeck had signed the Presiding Officer's Written Statement for Closing a Meeting under the Open Meetings Act, which is attached to these minutes as an Exhibit.

Upon motion duly made and seconded, it was unanimously,

RESOLVED, that the Authority move into Closed Session in accordance with §3-305(b)(13) and (b)(7) of the Open Meetings Act (OMA), to discuss the applications received by the Authority, which include financial information of private individuals, and to consult with legal counsel with respect to legal matters with respect to such applications.

Chairman Hallenbeck then preceded with the roll call. The following members (and designee) of the Authority were present during the closed session: Chairman Hallenbeck, Mr. Auvil, Mr. Glover, Ms. Sheppard, Dr. Perman, and Ms. Winsky. Ms. Kountz, Mr. Sadowski, and Ms. Page also remained for the closed session.

Announcement of Authority Actions/Decisions During Closed Session

- Goucher College – Endowed Professorship in Integrative Data Analytics, \$500,000 APPROVED
- Hood College – Endowed Chair in Sustainability Studies, \$1,000,000 APPROVED

- Johns Hopkins University – Stephen B. Sarasohn Clinical Research Fund, \$900,000 APPROVED
- Maryland Institute College of Art – MICA Center for Social Design – Design & Health Initiative, APPROVED
- University of Maryland Baltimore – The Paul & Jean Corcoran Endowed Professorship, \$750,000, APPROVED
 - University of Maryland Baltimore – Dr. Richard and Kathryn Taylor Professorship in Neurology, \$750,000, APPROVED
 - University of Maryland Baltimore – Charles Gordon Smith Endowed Professorship in HIV Research, \$750,000, APPROVED
 - University of Maryland Baltimore – The Richard P. Barth Professorship in Children’s Services Research, \$500,000, APPROVED
 - University of Maryland Baltimore County – Bimal Sinha Endowed Professorship, \$900,000 APPROVED

Date of Next Meeting

The Authority members determined the next conference call meeting date of the Authority for consideration of applications as follows:

October 29, 2020 @ 1:00 p.m. – 4:00 p.m., Call-In Number: (US) +1 316-536-0499 PIN: 865 136 975#

Date of Next MEIF Application Deadline: November 1, 2020.

Adjournment

There being no further business during this portion of the meeting, motion to adjourn was made, duly seconded, and unanimously approved at 11:30 a.m.